

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

MA&UD Department - Sri K.Kotaiah, Contractor, Tenali, Guntur District executed the work of construction of filtration plant of capacity 1.7 MGD under Kalyani Reservoir Scheme for Tirupathi Water Supply Scheme - Sanction of eligible amount of Rs.61,69,992.00 as per the arbitration Award and orders contained in the Decree - Orders - Issued.

MUNICIPAL ADMINISTRATION & URBAN DEVELOPMENT (A1) DEPARTMENT

G.O.Ms.No. 110

Dated:05-03-2010.

Read the following:

- 1.From Sri K.Kotaiah, Tenali Guntur District, Reptn.
dated 20-3-2009.
- 2.From the ENC (PH), Hyderabad, Lr.No.17403/T4/CC/2009,
dated 19-8-2009.
- 3.From the ENC (PH), Hyderabad, Lr.No.17403/T4/CC/Vol.II/2010,
dated 20-1-2010.

ORDER:

In the reference 2nd read above, the Engineer-in-Chief (PH), Hyderabad has stated that the work of construction of 1.7 MGD Scheme for Tirupathi Water Supply was entrusted to Sri K.Kotaiah, for Rs.8,08,000. The work should have been completed by 1-11-1975, but was completed on 10.8.1977, and the final payment was not made to the Contractor. The Principal Senior Civil Judge, Guntur in AOP No.155/87 and AOP No.79/90 dated 19-2-1999 has referred the matter to the Arbitrator, and the arbitrator in his award dated 29-6-1999 allowed for payment of an amount of Rs.11,24,259 and an amount of Rs.38,63,961 towards interest up to 12-6-1999. He has further allowed interest on Rs.11,24,259 at the rate of 18% per annum.

2. Further, the Principal Senior Civil Judge, Guntur in AOP No.240/99 dated 20.10.2005 made the award of the Arbitrator as a rule of court and passed decree for an amount of Rs.49,88,220 with interest at the rate of 18% p.a. on Rs.11,24,259 from 13.6.1999 till the date of realization. On appeal, the High Court in its judgement in CRP No.2714/2005 dated 11-10-2007 held that it is not represented

across the bar with regarding the long lapse of time and tendency of the proceedings all alone it would suffice in the interest of justice and also in the interest of both parties to make an effort of conciliation to affect a settlement.

3. After careful examination, of the issues raised by the contractor, and the ENC (PH), Hyderabad during the conciliation meeting and continuing the relief pattern awarded by the Arbitrator on 12-6-1999, and with mutual consent of the parties, it has been arbitrated as follows:

- a) Interest @ 18% simple interest per annum may be paid on the Principal amount, giving due adjustment to the amount already received by the claimant, from 12.6.1999 till the date of payment.
- b) If payment is not made in full within six months of this award, the claimant would be entitled for payment of interest at PLR of SBI on the entire due amount, that is principal and interest from that date till the date of final payment.

4. Accordingly, in the reference 3rd read above, the Engineer-in-Chief (PH), Hyderabad has indicated the net eligible amount to be paid to the Contractor as Rs. 61,69,992.00 as on 31.01.2010 and requested to approve the amount of Rs. 71,40,467.00 and also accord permission to release the amount of Rs. 61,69,992.00 as mentioned below:

- 1) Release of amount which was already available with City Civil Court, Tirupathi (Rs. 5,00,000.00)
- 2) Release of balance amount of Rs. 56,69,992.00 from plan funds under Head of Account 2215-01-101-11-SH(10)-310/312.

5. The Engineer-in-Chief (PH), Hyderabad has also requested to permit him to make payment with interest eligible on the date of payment.

6. Government after careful examination of the matter, hereby accord sanction for an amount of Rs.71,40,467.00 as per the arbitration Award and orders contained in the Decree to Sri K.Kotaiah, Contractor, Tenali, Guntur District for execution of the work of construction of filtration plant of capacity 1.7 MGD under Kalyani

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Reservoir Scheme for Tirupathi Water Supply Scheme and also accord permission to the Engineer – in – Chief (PH), Hyderabad to release an amount of Rs.61,69,992.00 as indicated at para (4) above and to make payment to the contractor.

7. The Engineer-in-Chief (PH), Hyderabad is requested to take necessary action, accordingly.

8. This order issues with the concurrence of Finance (Expr.M&F) Department, vide their U.O.No.2225/32/A1 /Expr.M&F/2010, dated 10-2-2010.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

**T.S. APPA RAO
PRINCIPAL SECRETARY TO GOVERNMENT**

To
The Engineer in Chief (PH), Hyderabad.
Sri Kolasani Kotaiah,
Kokavari Street, Nazerpet,
Tenali, Guntur District.
Copy to:
The P.S. to Hon'ble M(MA).
The P.S. to Principal Secretary to Govt., (UD),
MA&UD Deptt.,
SF/SC.

//FORWARDED BY ORDER//

SECTION OFFICER